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**June 30, 2004**

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	<u>Solid Waste Fund</u>	<u>Landfill Closure Fund</u>	<u>Golf Course Fund</u>	<u>Total</u>
<b><i>Liabilities and Net Assets</i></b>				
<b><i>CURRENT LIABILITIES:</i></b>				
Accounts payable	\$ 9,356	\$ -	\$ 1,740	\$ 11,096
Accrued vacation payable	7,336	-	7,449	14,785
Accrued wages payable	2,674	-	1,899	4,573
Accrued interest payable	-	-	9,261	9,261
Current portion of long-term debt	-	-	18,374	18,374
Total current liabilities	<u>19,366</u>	<u>-</u>	<u>38,723</u>	<u>58,089</u>
<b><i>LONG-TERM LIABILITIES:</i></b>				
Notes payable	-	-	348,006	348,006
Landfill closure liability	-	60,712	-	60,712
Due to other funds	-	-	-	-
Due to Bonneville Power Administration	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total long-term liabilities	-	60,712	348,006	408,718
Less current portion	<u>-</u>	<u>-</u>	<u>18,374</u>	<u>18,374</u>
Total long-term liabilities	<u>-</u>	<u>60,712</u>	<u>329,632</u>	<u>390,344</u>
Total liabilities	<u>\$ 19,366</u>	<u>\$ 60,712</u>	<u>\$ 368,355</u>	<u>\$ 448,433</u>
<b><i>NET ASSETS:</i></b>				
Invested in capital assets (net of related debt)	\$ 105,407	\$ -	\$ 195,558	\$ 300,965
Restricted for landfill closure	-	3,671	-	3,671
Unreserved	<u>51,163</u>	<u>-</u>	<u>8,166</u>	<u>59,329</u>
Total net assets	<u>\$ 156,570</u>	<u>\$ 3,671</u>	<u>\$ 203,724</u>	<u>\$ 363,965</u>

# City of Milton-Freewater

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## Combining Statement of Net Assets - Internal Service Funds

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	<u>Warehouse</u>	<u>Vehicle Maintenance</u>	<u>Vehicle Replacement</u>
<b>Assets</b>			
<i>CURRENT ASSETS</i>			
Cash	\$ 168,290	\$ 21,637	\$ 259,618
Accounts receivable	-	5,415	-
Inventory	<u>221,099</u>	<u>6,671</u>	<u>-</u>
Total current assets	389,389	33,723	259,618
<i>CAPITAL ASSETS:</i>			
Equipment (net of accumulated depreciation)	<u>-</u>	<u>747</u>	<u>1,113,166</u>
Total assets	<u>\$ 389,389</u>	<u>\$ 34,470</u>	<u>\$1,372,784</u>
<b>Liabilities</b>			
<i>CURRENT LIABILITIES:</i>			
Accounts payable	\$ 7,475	\$ 10,724	\$ 1
Accrued vacation	3,230	6,213	-
Current portion of long-term debt	<u>-</u>	<u>-</u>	<u>33,961</u>
Total current liabilities	<u>10,705</u>	<u>16,937</u>	<u>33,962</u>
<i>LONG-TERM LIABILITIES:</i>			
Notes payable	-	-	241,336
Less current portion	<u>-</u>	<u>-</u>	<u>33,961</u>
Total long-term liabilities	<u>-</u>	<u>-</u>	<u>207,375</u>
Total liabilities	<u>\$ 10,705</u>	<u>\$ 16,937</u>	<u>\$ 241,337</u>
<b>Net Assets</b>			
Net assets unreserved	<u>\$ 378,684</u>	<u>\$ 17,533</u>	<u>\$1,131,447</u>

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See accompanying notes to financial statements.

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**For the year ended  
June 30, 2004**

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<u>Sick Leave Liability</u>	<u>Risk Management Fund</u>	<u>Total</u>
\$ 95,729	\$ 66,821	\$ 612,095
-	-	5,415
<u>-</u>	<u>-</u>	<u>227,770</u>
95,729	66,821	845,280
-	-	<u>1,113,913</u>
<u>\$ 95,729</u>	<u>\$ 66,821</u>	<u>\$1,959,193</u>
\$ -	\$ -	\$ 18,200
-	-	9,443
<u>-</u>	<u>-</u>	<u>33,961</u>
<u>-</u>	<u>-</u>	<u>61,604</u>
-	-	241,336
<u>-</u>	<u>-</u>	<u>33,961</u>
<u>-</u>	<u>-</u>	<u>207,375</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 268,979</u>
<u>\$ 95,729</u>	<u>\$ 66,821</u>	<u>\$1,690,214</u>

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# City of Milton-Freewater

## Combining Statement of Revenue, Expenses, and Changes in Net Assets (GAAP Basis) - Nonmajor Enterprise Funds

For the year ended  
June 30, 2004

	Solid Waste Fund	Landfill Closure Fund	Golf Course Fund	Total
<i>OPERATING REVENUE:</i>				
Service sales	\$ 533,539	\$ -	\$ 219,916	\$ 753,455
Miscellaneous	-	-	-	-
Total operating revenue	<u>533,539</u>	<u>-</u>	<u>219,916</u>	<u>753,455</u>
<i>OPERATING EXPENSES:</i>				
Personal services	155,655	-	85,053	240,708
Operating	210,257	9,712	106,460	326,429
Depreciation	<u>1,560</u>	<u>-</u>	<u>6,972</u>	<u>8,532</u>
Total operating expenses	<u>367,472</u>	<u>9,712</u>	<u>198,485</u>	<u>575,669</u>
Operating income (loss)	<u>166,067</u>	<u>(9,712)</u>	<u>21,431</u>	<u>177,786</u>
<i>NONOPERATING REVENUE (EXPENSES):</i>				
Interest income	38	850	644	1,532
Loan interest expense	<u>-</u>	<u>-</u>	<u>(18,582)</u>	<u>(18,582)</u>
Total nonoperating revenue (expenses)	<u>38</u>	<u>850</u>	<u>(17,938)</u>	<u>(17,050)</u>
Income (loss) before operating transfers	<u>166,105</u>	<u>(8,862)</u>	<u>3,493</u>	<u>160,736</u>
<i>OPERATING TRANSFERS:</i>				
Operating transfers in	1,500	-	-	1,500
Operating transfers out	<u>(147,299)</u>	<u>-</u>	<u>(13,554)</u>	<u>(160,853)</u>
Total operating transfers	<u>(145,799)</u>	<u>-</u>	<u>(13,554)</u>	<u>(159,353)</u>
<i>CHANGE IN NET ASSETS</i>	20,306	(8,862)	(10,061)	1,383
<i>NET ASSETS - JUNE 30, 2003</i>	<u>136,264</u>	<u>12,533</u>	<u>213,784</u>	<u>362,581</u>
<i>NET ASSETS - JUNE 30, 2004</i>	<u>\$ 156,570</u>	<u>\$ 3,671</u>	<u>\$ 203,723</u>	<u>\$ 363,964</u>

See accompanying notes to financial statements.

## City of Milton-Freewater

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### Combining Statement of Revenue, Expenses, and Changes in Net Assets (GAAP Basis) - Internal Service Funds

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	<u>Warehouse</u>	<u>Vehicle Maintenance</u>	<u>Vehicle Replacement</u>
<i>OPERATING REVENUE:</i>			
Services	\$ 99,246	\$ 62,467	\$ -
Replacement revenue	-	-	146,640
Vehicle rental	-	214,431	-
Miscellaneous	2,122	1,984	-
Total operating revenue	<u>101,368</u>	<u>278,882</u>	<u>146,640</u>
<i>OPERATING EXPENSES:</i>			
Personal services	48,388	137,125	-
Materials and supplies	108,796	124,720	-
Depreciation	-	1,044	99,564
Total operating expenses	<u>157,184</u>	<u>262,889</u>	<u>99,564</u>
Operating income (loss)	<u>(55,816)</u>	<u>15,993</u>	<u>47,076</u>
<i>NONOPERATING INCOME (EXPENSES):</i>			
Interest income	2,201	421	3,259
Loan interest	-	-	(6,616)
Total nonoperating income (loss)	<u>2,201</u>	<u>421</u>	<u>(3,357)</u>
Income (loss) before operating transfers	<u>(53,615)</u>	<u>16,414</u>	<u>43,719</u>
<i>OPERATING TRANSFERS:</i>			
Operating transfers in	60,428	-	-
Operating transfers out	<u>(16,716)</u>	<u>(49,195)</u>	<u>-</u>
Total operating transfers	<u>43,712</u>	<u>(49,195)</u>	<u>-</u>
CHANGE IN NET ASSETS	(9,903)	(32,781)	43,719
NET ASSETS - JUNE 30, 2003	<u>388,587</u>	<u>50,314</u>	<u>1,087,728</u>
NET ASSETS - JUNE 30, 2004	<u>\$ 378,684</u>	<u>\$ 17,533</u>	<u>\$1,131,447</u>

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See accompanying notes to financial statements.

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**For the year ended  
June 30, 2004**

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<u>Sick Leave Liability</u>	<u>Risk Management Fund</u>	<u>Total</u>
\$ -	\$ -	\$ 161,713
-	-	146,640
-	-	214,431
-	32,321	36,427
<u>-</u>	<u>32,321</u>	<u>559,211</u>
1,740	-	187,253
-	21,592	255,108
-	-	100,608
<u>1,740</u>	<u>21,592</u>	<u>542,969</u>
<u>(1,740)</u>	<u>10,729</u>	<u>16,242</u>
1,261	988	8,130
-	-	(6,616)
<u>1,261</u>	<u>988</u>	<u>1,514</u>
<u>(479)</u>	<u>11,717</u>	<u>17,756</u>
9,991	-	70,419
-	(20,000)	(85,911)
<u>9,991</u>	<u>(20,000)</u>	<u>(15,492)</u>
9,512	(8,283)	2,264
<u>86,217</u>	<u>75,104</u>	<u>1,687,950</u>
<u>\$ 95,729</u>	<u>\$ 66,821</u>	<u>\$1,690,214</u>

# City of Milton-Freewater

## Combining Statement of Cash Flows - Nonmajor Enterprise Funds

	<u>Solid Waste Fund</u>	<u>Landfill Closure Fund</u>	<u>Golf Course Fund</u>	<u>Total</u>
<b><i>Increase (decrease) in cash and restricted cash</i></b>				
<b><i>CASH FLOWS FROM OPERATING ACTIVITIES:</i></b>				
Receipts from customers	\$ 525,118	\$ -	\$ 218,514	\$ 743,632
Payments to suppliers	(209,699)	-	(106,745)	(316,444)
Payments to employees	(153,860)	-	(83,841)	(237,701)
Other receipts	-	-	-	-
Net cash provided by operating activities	<u>161,559</u>	<u>-</u>	<u>27,928</u>	<u>189,487</u>
<b><i>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</i></b>				
Operating transfers in	1,500	-	-	1,500
Operating transfers out	<u>(147,299)</u>	<u>-</u>	<u>(13,554)</u>	<u>(160,853)</u>
Net cash used in noncapital financing activities	<u>(145,799)</u>	<u>-</u>	<u>(13,554)</u>	<u>(159,353)</u>
<b><i>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</i></b>				
Acquisition of PP&E	(8,852)	-	(1,181)	(10,033)
Loans to other funds	-	-	-	-
Proceeds from loans	-	-	-	-
Principal paid on loans	-	-	(15,262)	(15,262)
Interest paid on loans	<u>-</u>	<u>-</u>	<u>(18,581)</u>	<u>(18,581)</u>
Net cash used in capital and related financing activities	<u>(8,852)</u>	<u>-</u>	<u>(35,024)</u>	<u>(43,876)</u>
<b><i>CASH FLOWS FROM INVESTING ACTIVITIES:</i></b>				
Interest from cash and investments	<u>38</u>	<u>850</u>	<u>644</u>	<u>1,532</u>

See accompanying notes to financial statements.



**For the year ended  
June 30, 2004**

	<u>Solid Waste Fund</u>	<u>Landfill Closure Fund</u>	<u>Golf Course Fund</u>	<u>Total</u>
<i>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, RESTRICTED AND UNRESTRICTED CASH</i>	\$ 6,946	\$ 850	\$ (20,006)	\$ (12,210)
<i>CASH AND CASH EQUIVALENTS, RESTRICTED AND UNRESTRICTED CASH AT BEGINNING OF YEAR</i>	<u>788</u>	<u>63,533</u>	<u>46,197</u>	<u>110,518</u>
<i>CASH AND CASH EQUIVALENTS, RESTRICTED AND UNRESTRICTED CASH AT END OF YEAR</i>	<u><u>\$ 7,734</u></u>	<u><u>\$ 64,383</u></u>	<u><u>\$ 26,191</u></u>	<u><u>\$ 98,308</u></u>
<b><i>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</i></b>				
Operating income (loss)	\$ 166,067	\$ (9,712)	\$ 21,431	\$ 177,786
Adjustments to reconcile operating income to net cash provided by operating activities:				
Intergovernmental revenue	-	-	-	-
Farm lease and miscellaneous income	-	-	-	-
Depreciation	1,560	-	6,972	8,532
Amortization of bond premium	-	-	-	-
(Increase) decrease in accounts receivable	(8,421)	-	(1,402)	(9,823)
Increase (decrease) in accounts payable	558	9,712	(85)	10,185
Increase (decrease) in accrued interest	-	-	(200)	(200)
Increase (decrease) in accrued wages	(11)	-	419	408
Increase (decrease) in accrued vacation	<u>1,806</u>	<u>-</u>	<u>793</u>	<u>2,599</u>
Net cash provided by operating activities	<u><u>\$ 161,559</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 27,928</u></u>	<u><u>\$ 189,487</u></u>

# City of Milton-Freewater

## Combining Statement of Cash Flows - Internal Service Funds

	Warehouse Fund	Vehicle Maintenance Fund	Vehicle Replacement Fund
<b><i>Increase (decrease) in cash and restricted cash</i></b>			
<b><i>CASH FLOWS FROM OPERATING ACTIVITIES:</i></b>			
Receipts from customers	\$ 101,030	\$ 276,142	\$ 146,640
Payments to suppliers	(104,711)	(122,030)	(88)
Payments to employees	(48,120)	(135,536)	-
Other receipts	2,122	1,984	-
Net cash provided by (used in) operating activities	<u>(49,679)</u>	<u>20,560</u>	<u>146,552</u>
<b><i>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</i></b>			
Operating transfers in	60,428	-	-
Operating transfers out	<u>(16,716)</u>	<u>(49,195)</u>	<u>-</u>
Net cash provided by (used in) noncapital financing activities	<u>43,712</u>	<u>(49,195)</u>	<u>-</u>
<b><i>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</i></b>			
Proceeds from new loans	-	-	102,350
Principle paid on loan	-	-	(14,514)
Interest paid on borrowing	-	-	(6,616)
Acquisition/cost of retirement of PPE	<u>-</u>	<u>-</u>	<u>(195,348)</u>
Net cash used in capital and related financing activities	<u>-</u>	<u>-</u>	<u>(114,128)</u>
<b><i>CASH FLOWS FROM INVESTING ACTIVITIES:</i></b>			
Interest from cash and investments	<u>2,200</u>	<u>421</u>	<u>3,259</u>
<b><i>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, RESTRICTED AND UNRESTRICTED CASH</i></b>	<b>(3,767)</b>	<b>(28,214)</b>	<b>35,683</b>
<b><i>CASH AND CASH EQUIVALENTS, RESTRICTED AND UNRESTRICTED CASH AT BEGINNING OF YEAR</i></b>	<b><u>172,057</u></b>	<b><u>49,851</u></b>	<b><u>223,935</u></b>
<b><i>CASH AND CASH EQUIVALENTS, RESTRICTED AND UNRESTRICTED CASH AT END OF YEAR</i></b>	<b><u>\$ 168,290</u></b>	<b><u>\$ 21,637</u></b>	<b><u>\$ 259,618</u></b>

See accompanying notes to financial statements.

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**For the year ended  
June 30, 2004**

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<u>Sick Leave Liability</u>	<u>Risk Management Fund</u>	<u>Total</u>
\$ -	\$ 32,321	\$ 556,133
-	(23,932)	(250,761)
(1,740)	-	(185,396)
<u>-</u>	<u>-</u>	<u>4,106</u>
<u>(1,740)</u>	<u>8,389</u>	<u>124,082</u>
9,991	-	70,419
<u>-</u>	<u>(20,000)</u>	<u>(85,911)</u>
<u>9,991</u>	<u>(20,000)</u>	<u>(15,492)</u>
-	-	102,350
-	-	(14,514)
-	-	(6,616)
<u>-</u>	<u>-</u>	<u>(195,348)</u>
<u>-</u>	<u>-</u>	<u>(114,128)</u>
<u>1,261</u>	<u>988</u>	<u>8,129</u>
9,512	(10,623)	2,591
<u>86,217</u>	<u>77,444</u>	<u>609,504</u>
<u>\$ 95,729</u>	<u>\$ 66,821</u>	<u>\$ 612,095</u>

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## City of Milton-Freewater

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### Combining Statement of Cash Flows All Internal Service Funds (continued)

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	Warehouse <u>Fund</u>	Vehicle Maintenance <u>Fund</u>	Vehicle Replacement <u>Fund</u>
<b><i>Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:</i></b>			
Operating income (loss)	\$ (55,816)	\$ 15,993	\$ 47,076
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:			
Depreciation	-	1,044	99,564
(Increase) decrease in accounts receivable	-	(2,389)	-
(Increase) decrease in inventory	1,784	1,633	-
Increase (decrease) in accounts payable	4,085	2,690	(88)
Increase (decrease) in accrued personal services	<u>268</u>	<u>1,589</u>	<u>-</u>
Net cash provided by (used in) operating activities	<u>\$ (49,679)</u>	<u>\$ 20,560</u>	<u>\$ 146,552</u>

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See accompanying notes to financial statements.

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**For the year ended  
June 30, 2004**

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<u>Sick Leave Liability</u>	<u>Risk Management Fund</u>	<u>Total</u>
\$ (1,740)	\$ 10,729	\$ 16,242
-	-	100,608
-	-	(2,389)
-	-	3,417
-	(2,340)	4,347
<u>-</u>	<u>-</u>	<u>1,857</u>
<u>\$ (1,740)</u>	<u>\$ 8,389</u>	<u>\$ 124,082</u>